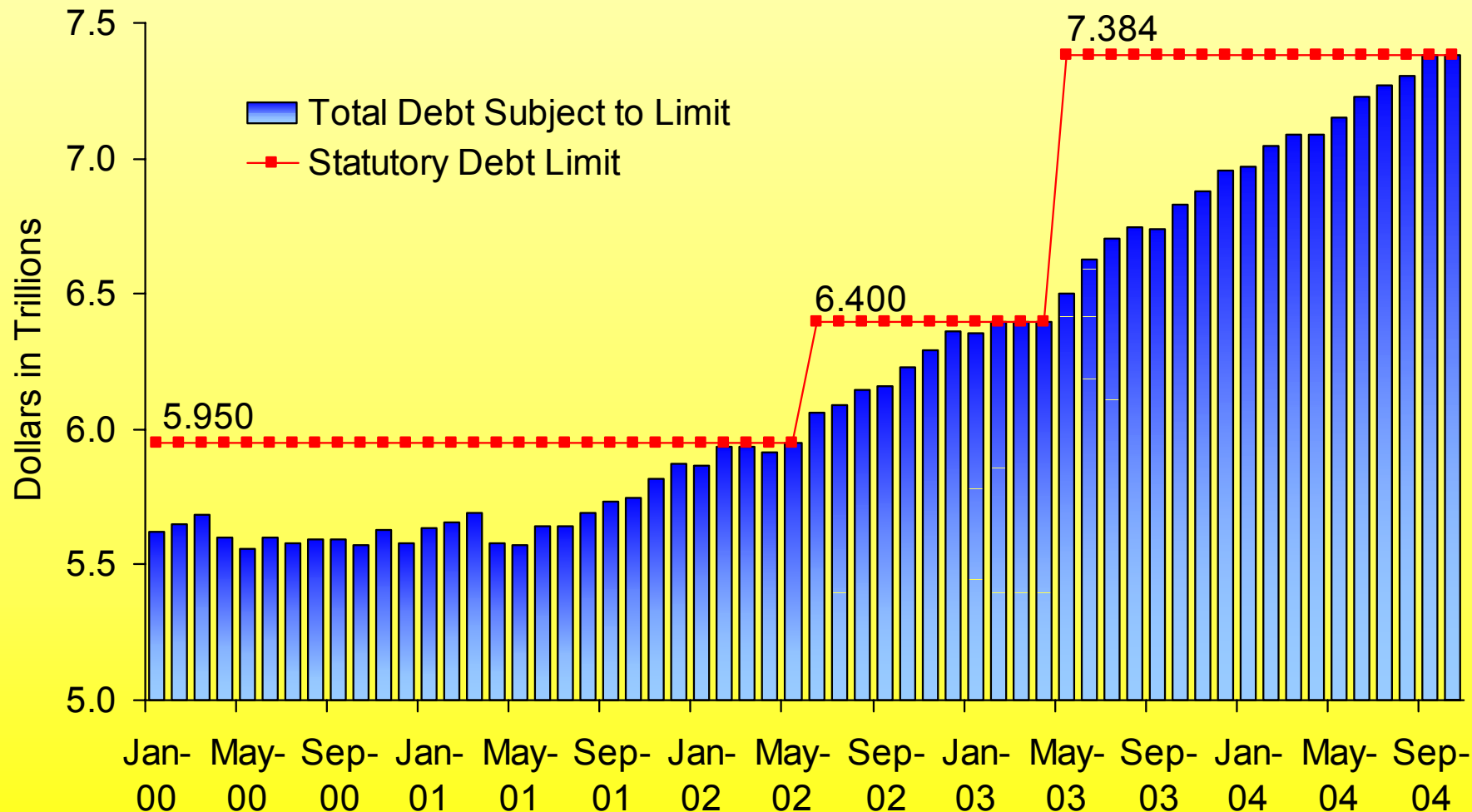
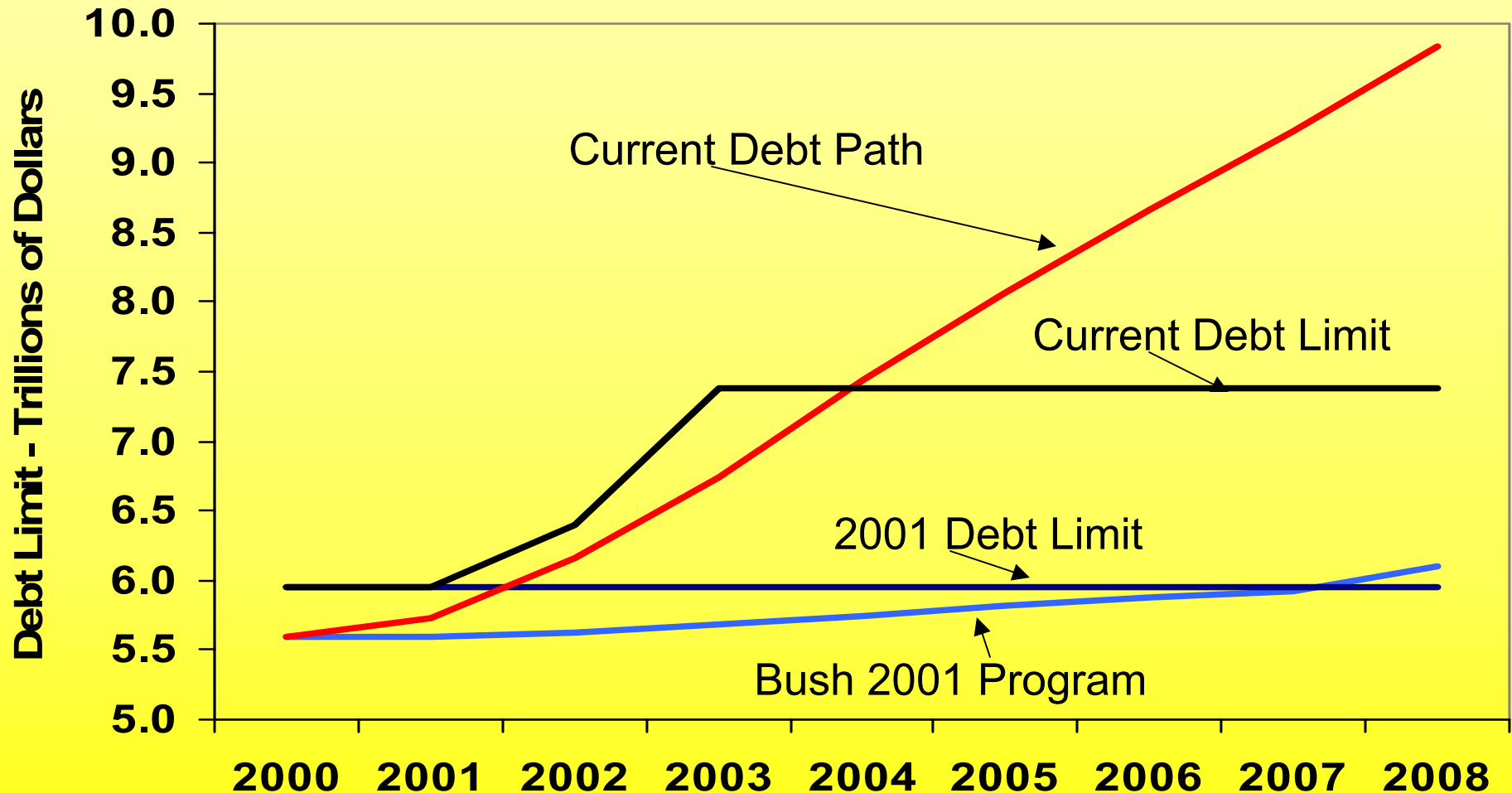


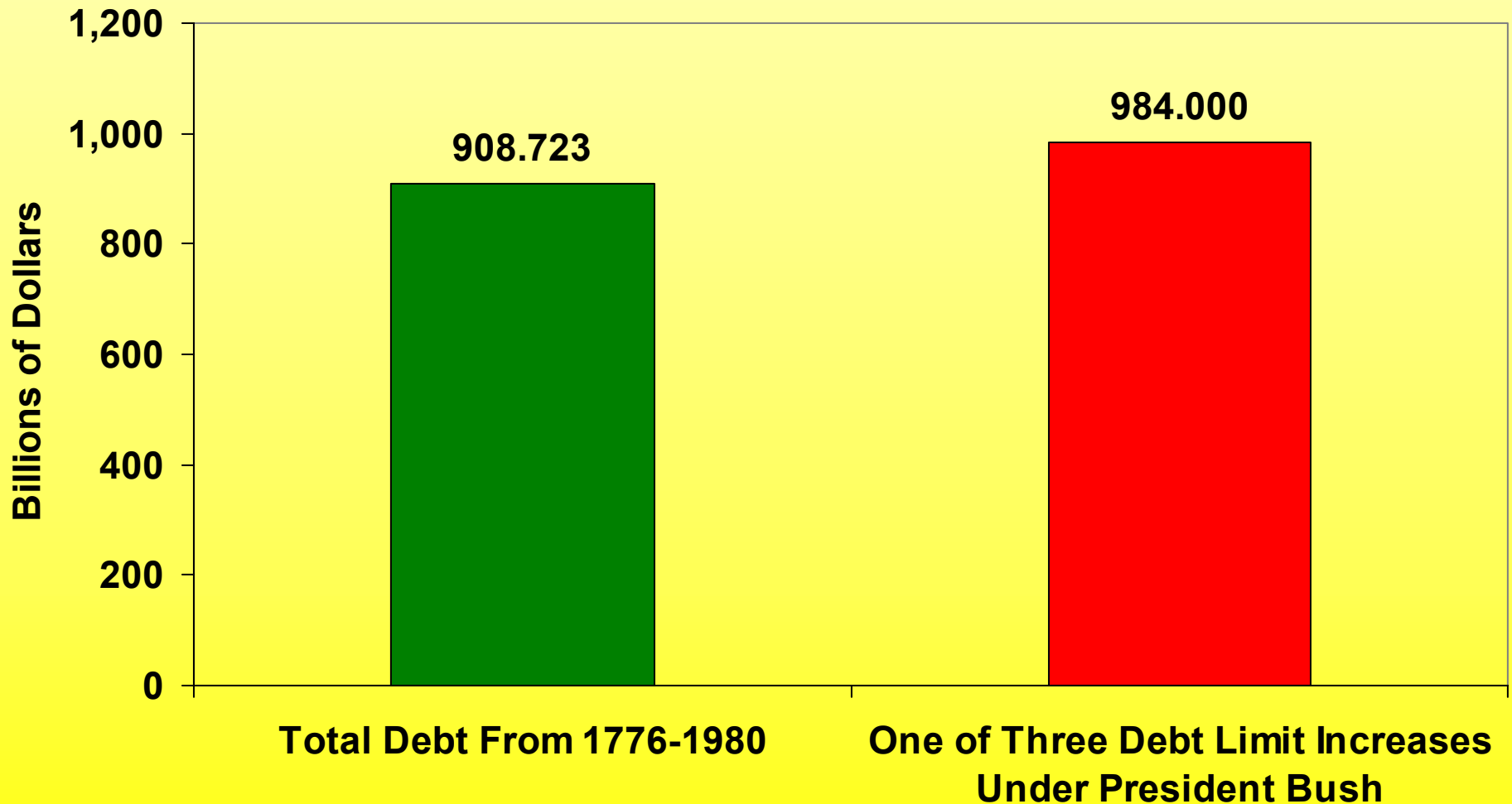
President Bush's Debt Record



President Said Debt Limit Was Good Until 2008



Last Bush Debt-Limit Increase Exceeded Total Debt From 1776-1980



Republicans Increase the Debt Limit

Debt Limit Increases, Billions of Dollars

2002	450
2003	984
2004	690
2014*	6,471

*HBC-D estimate of increases required under CBO projection of President's policies, 2005-2014

Debt Limit Soars

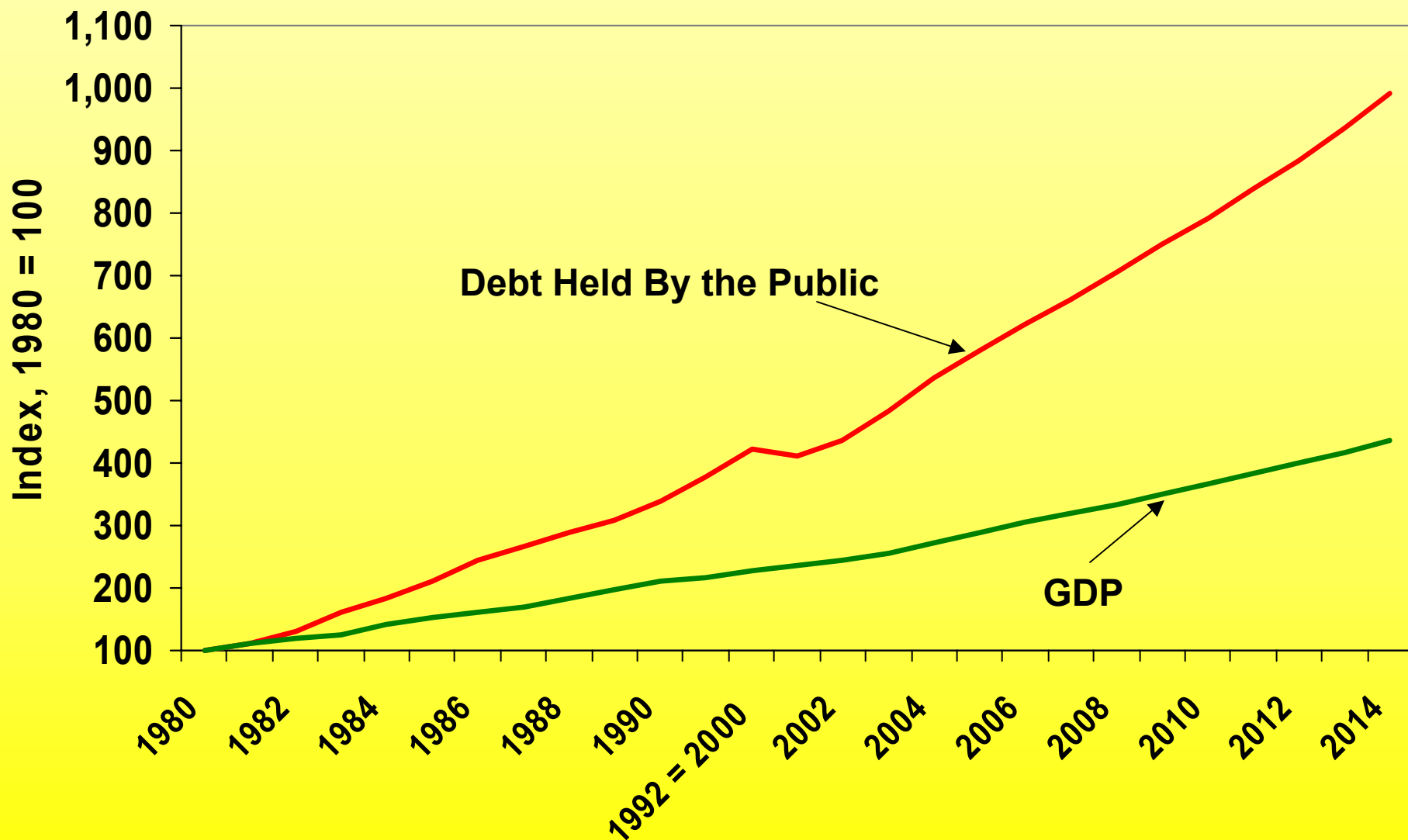
Under Republican Policies

Trillions of Dollars

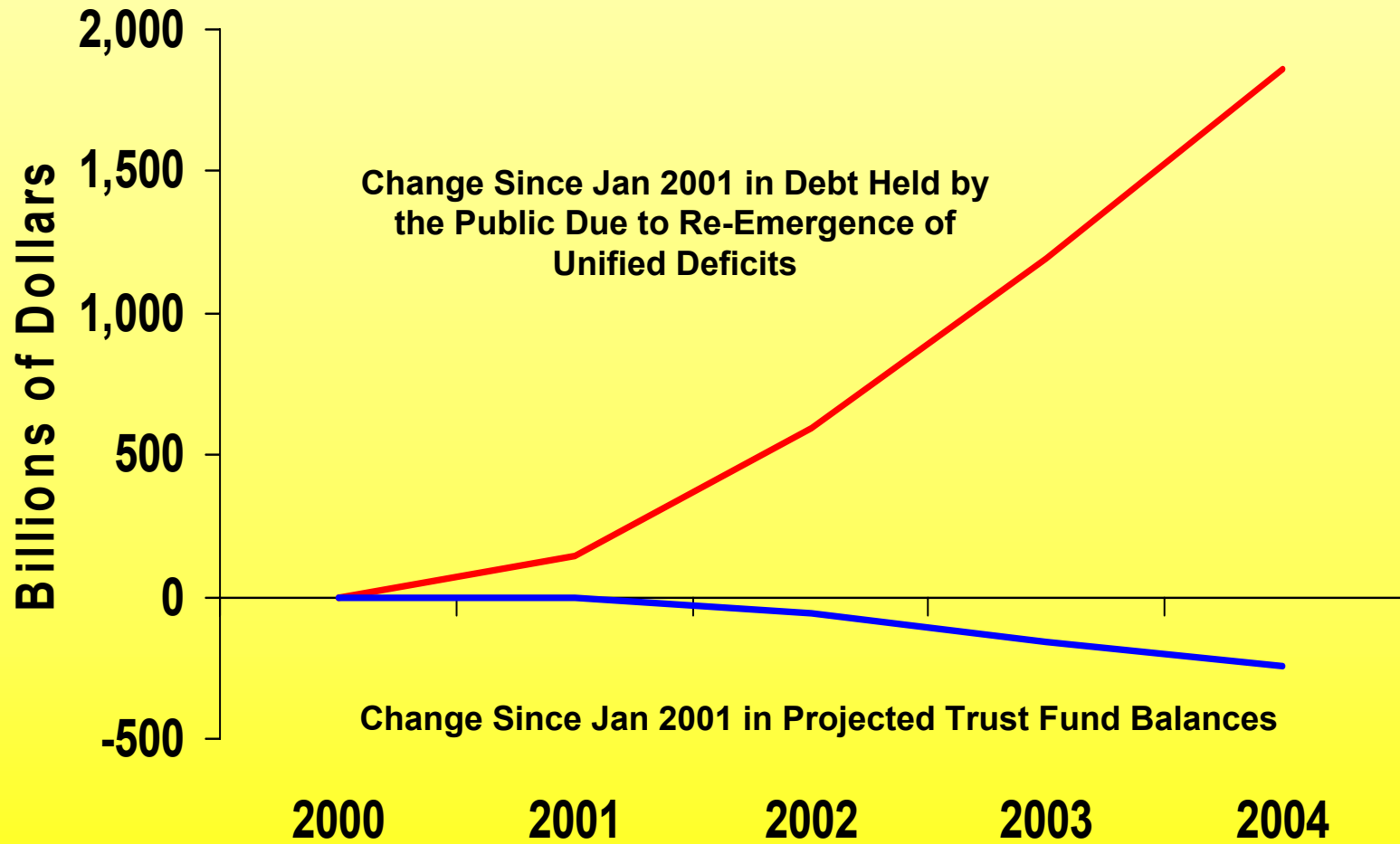
2001	5.950
2002	6.400
2003	7.384
2004	8.074
2014*	14.545

*HBC-D estimate of amount required under CBO projection of President's policies, 2005-2014

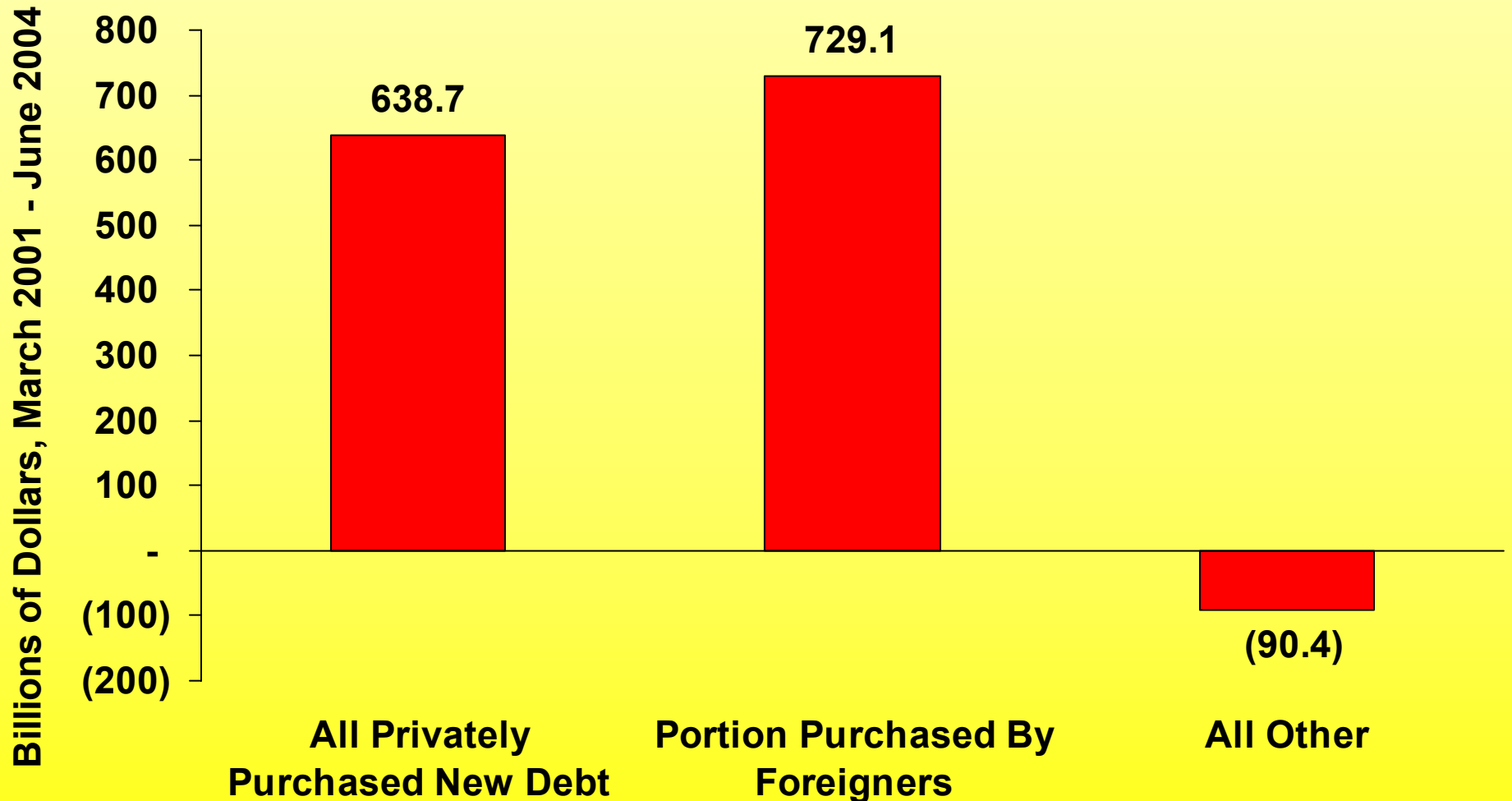
Under Republican Policies, Debt Grows 50 Percent Faster Than The Economy



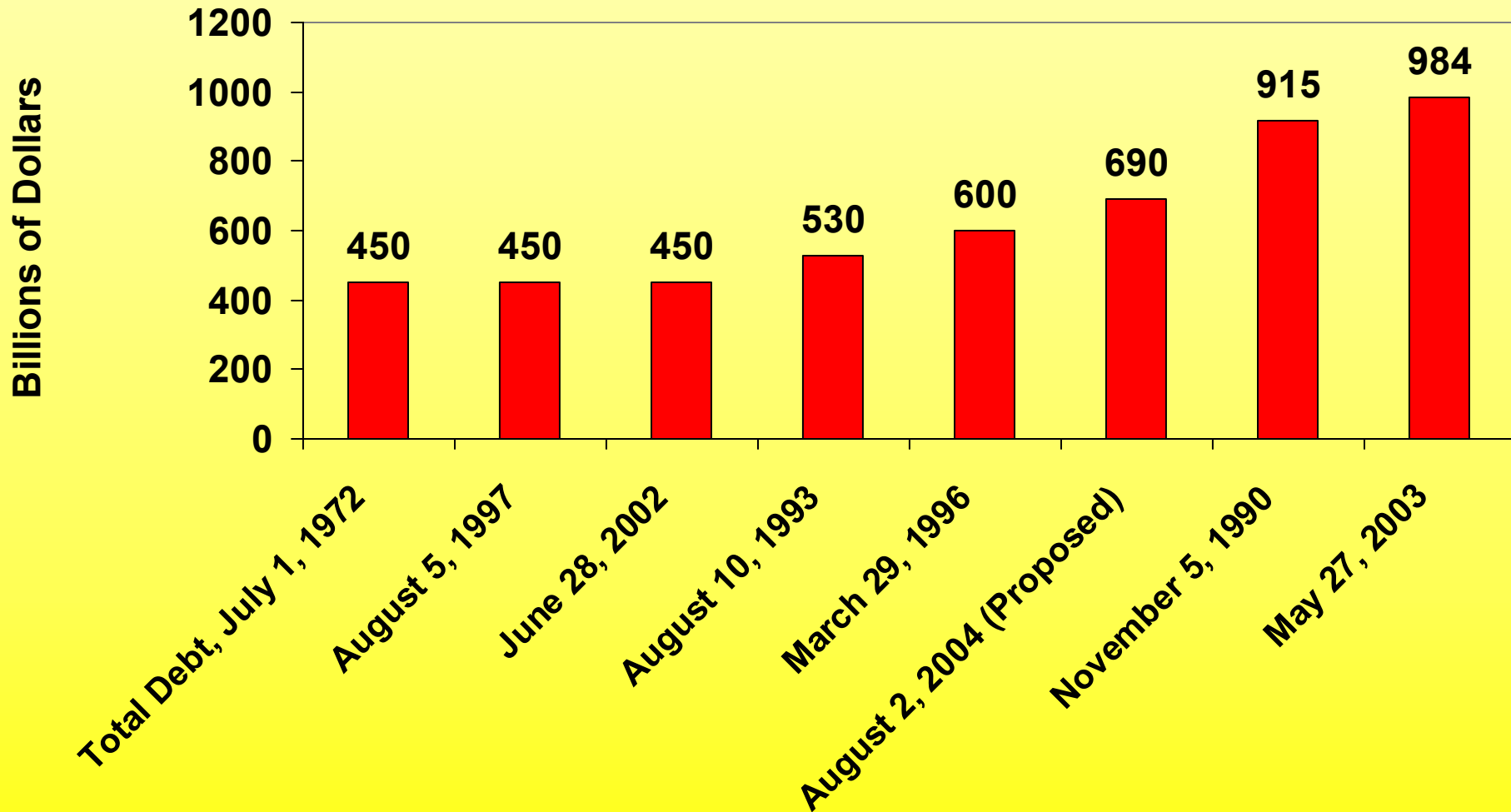
Why Did We Have to Raise the Debt Limit Three Times?



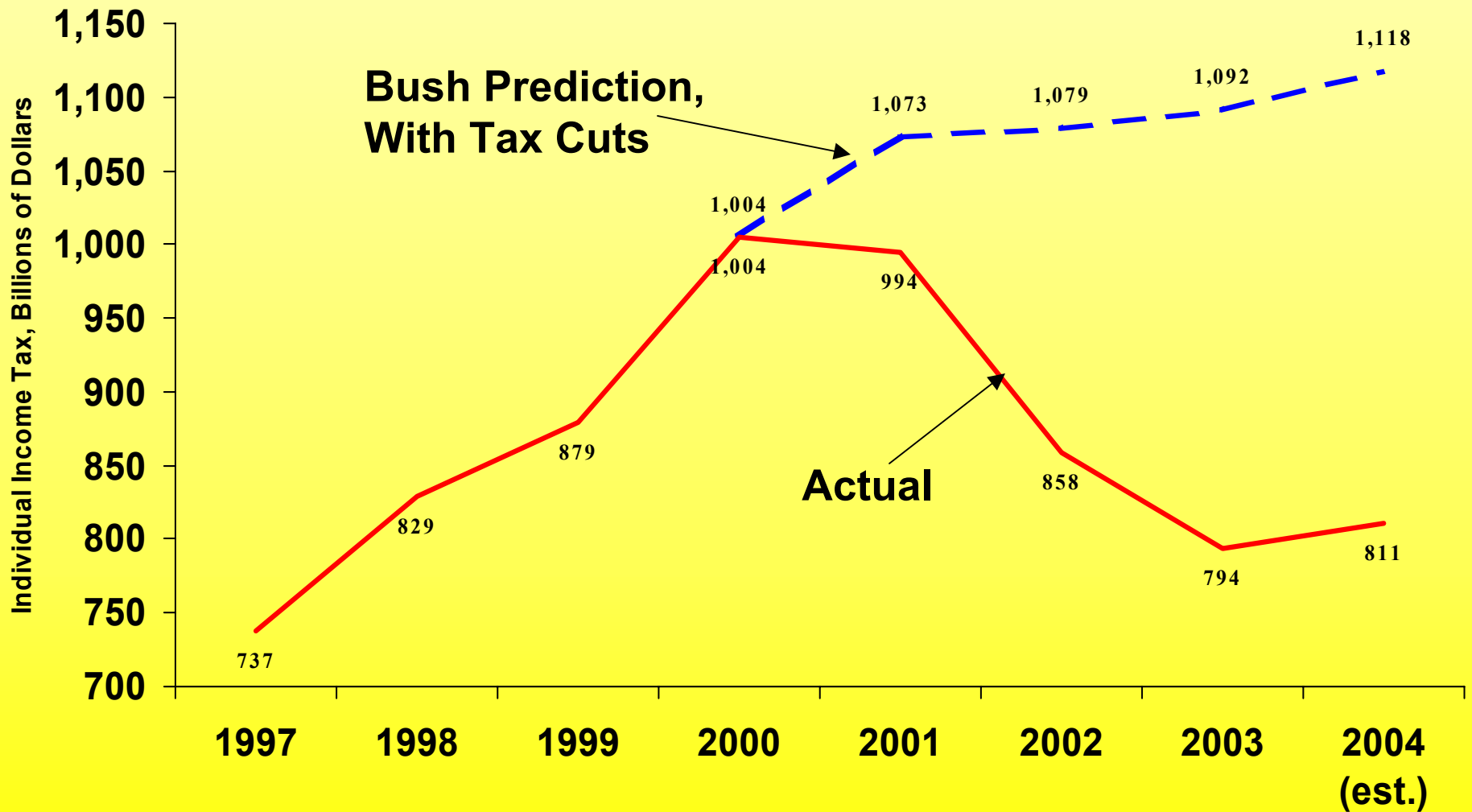
Foreign Purchases of New U.S. Debt



The Largest Debt-Limit Increase In History



Revenues Collapse Under Republican Policies

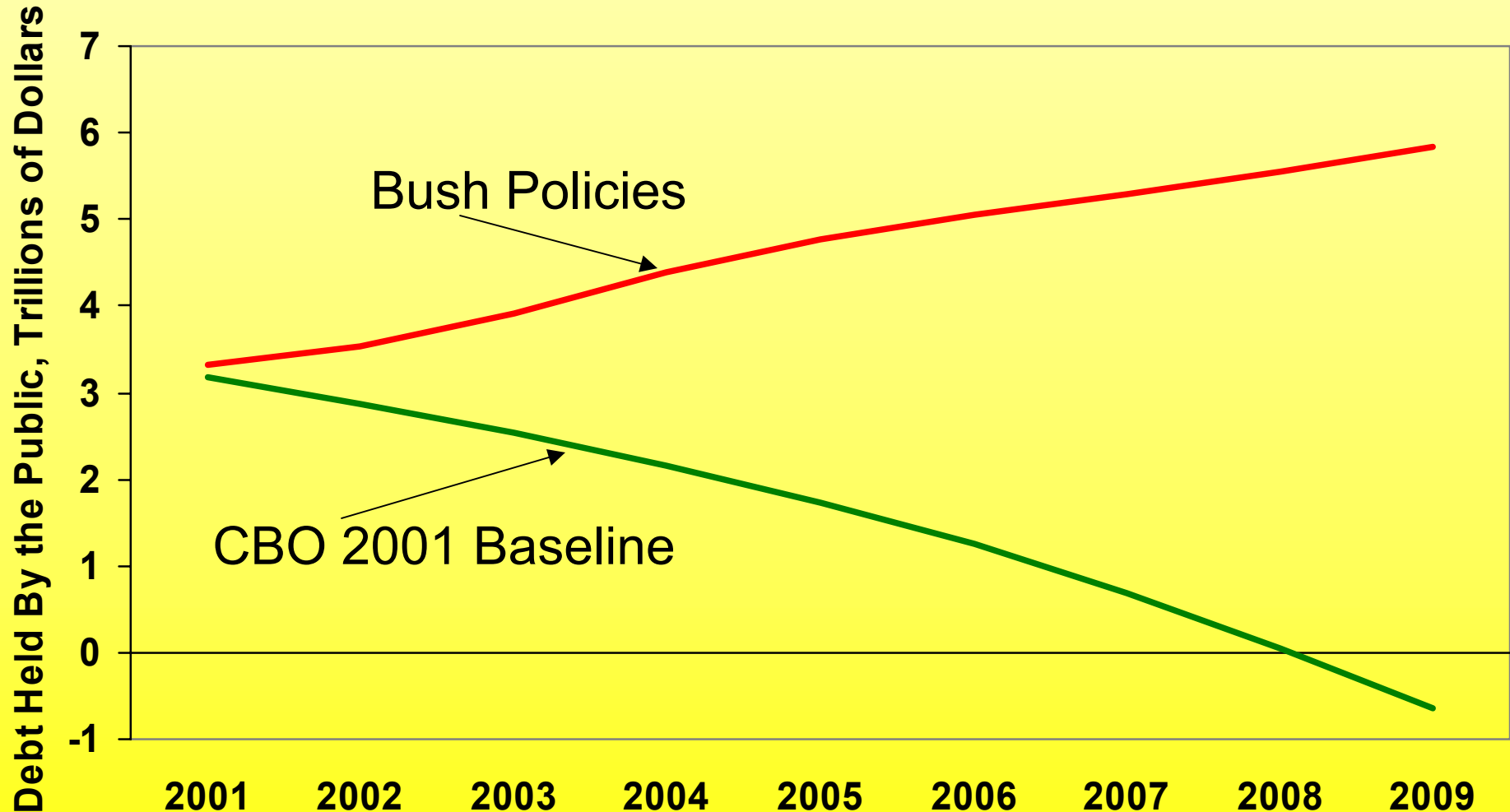


President Clinton Paid Down the Public Debt

Debt Held By the Public, Billions of Dollars

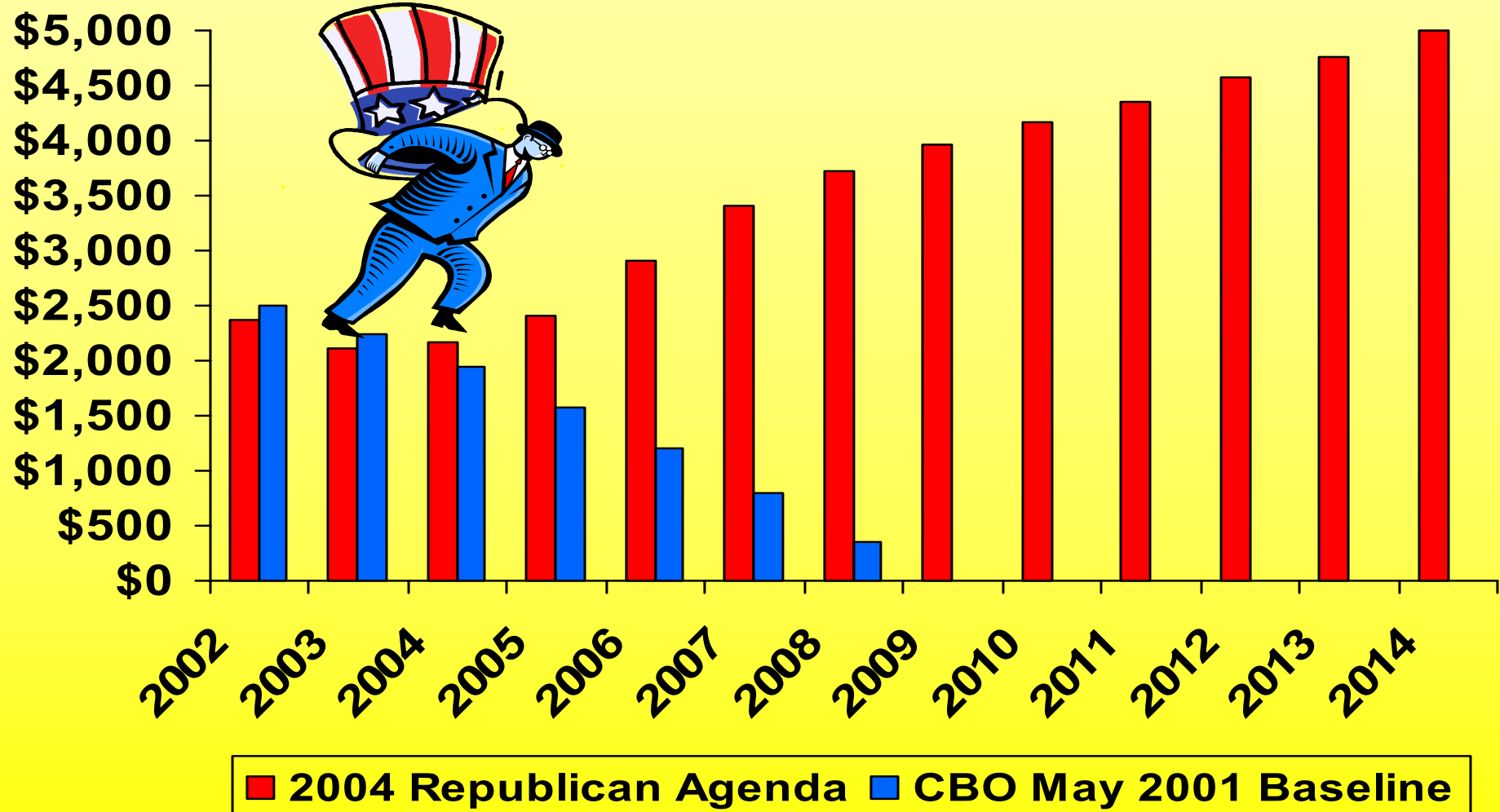
FY 1997	3,772.3
FY 2000	3,409.8
Reduction	362.5

Contrary to Plan, Republicans Do Not Pay Off the Debt



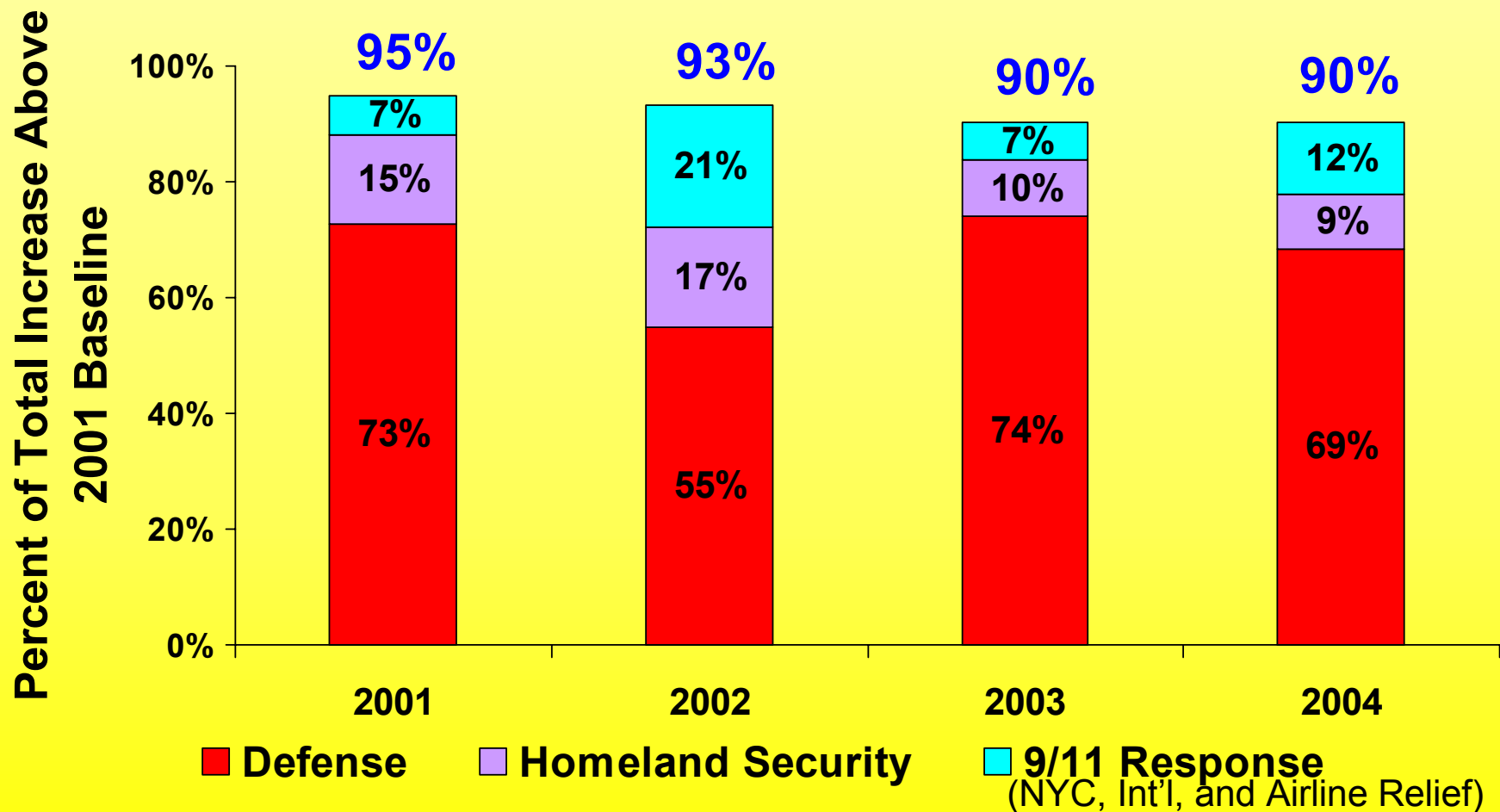
Republican Policies Continue and Raise the Debt Tax

Federal Net Interest per Family of Four

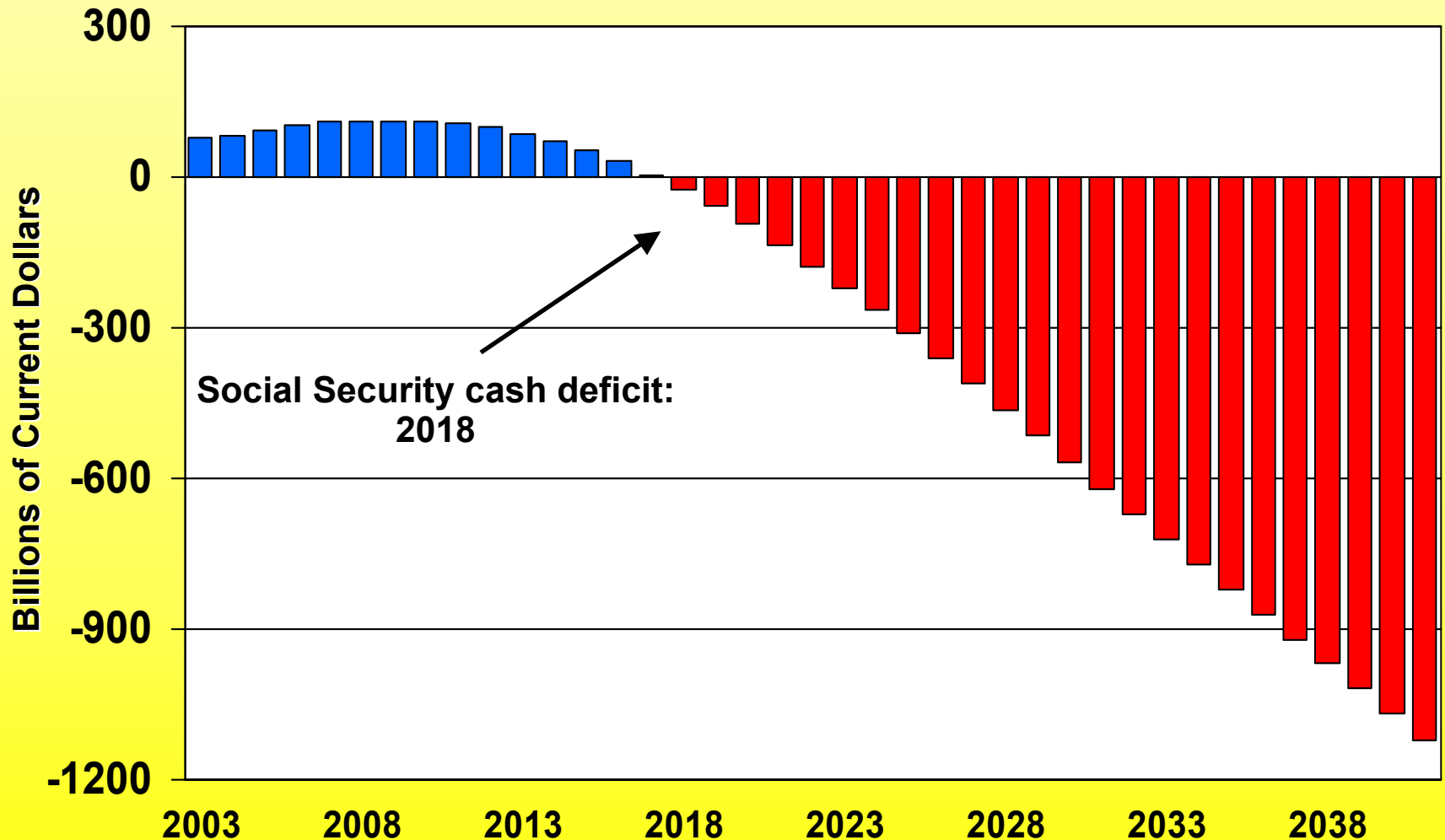


■ 2004 Republican Agenda ■ CBO May 2001 Baseline

Defense, Homeland Security, and 9/11 Response Account for At Least 90 Percent of Funding Increases



Social Security Trust Funds Face Cash Deficit As Baby Boomers Retire



Source: SSA

The \$4.2 Trillion Tax Agenda

President's Tax Proposals: Enacted, Proposed, and Hidden

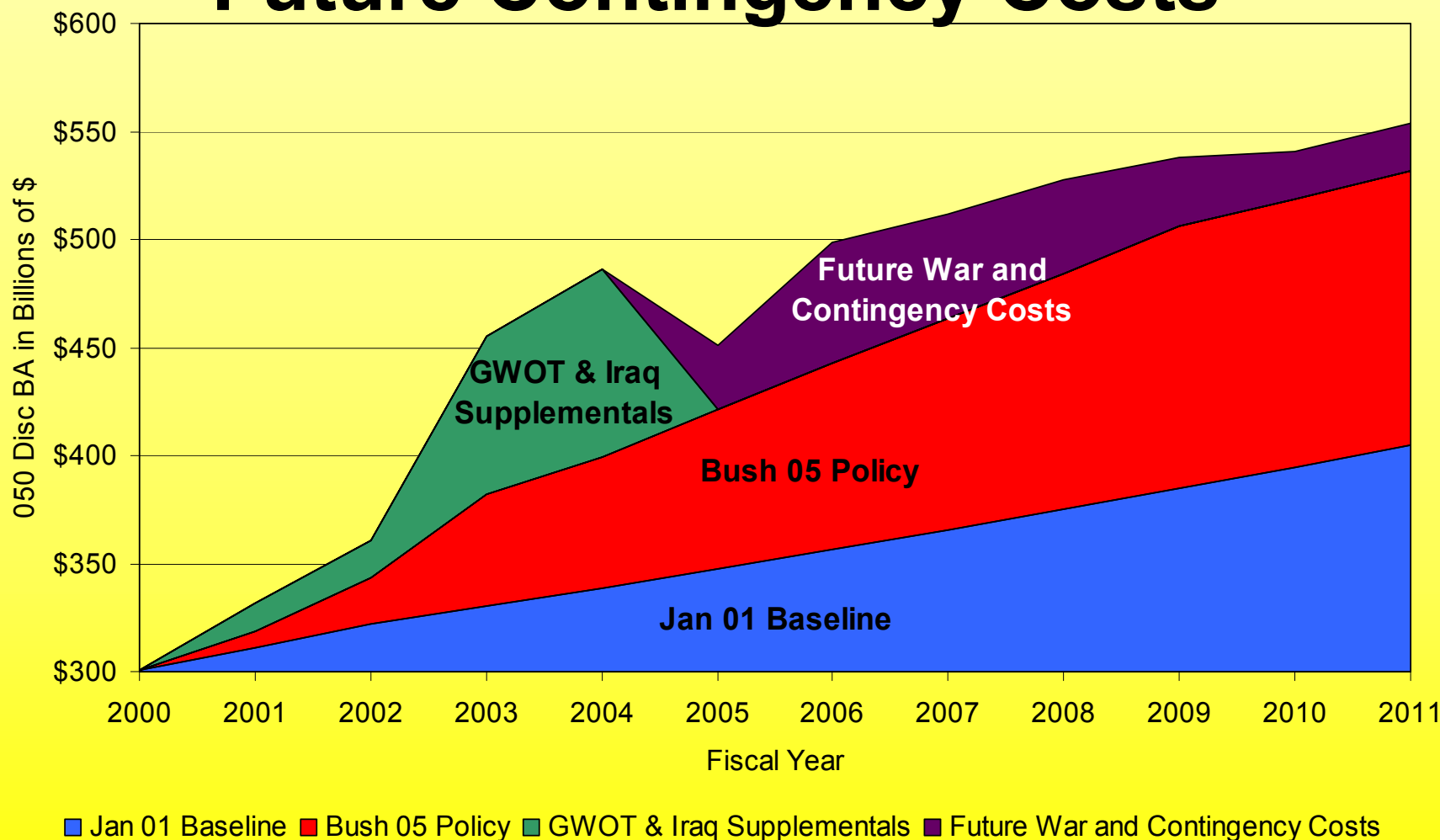
Trillions of Dollars	<u>2005-2014</u>
2001 Tax Cut	1.039
2002 Stimulus	-0.084
2003 Tax Cut	0.140
2004 Tax Cut Extension	0.146
2004 Corporate Tax Cuts	0.000
Make Above Tax Cuts Permanent	1.050
AMT	0.478
New Tax Proposals in 2005 Budget	0.210
Subtotal	2.977
Corresponding Debt Service	1.248
TOTAL TAX AGENDA	\$4.225

Source: CBO and Joint Committee on Taxation. AMT includes interaction with EGTRRA/JGTRRA permanence

New Tax Proposals do not include AMT

Updated 11/15/04

Increased Cost of Defense Under Bush Administration Plus Estimate of Future Contingency Costs

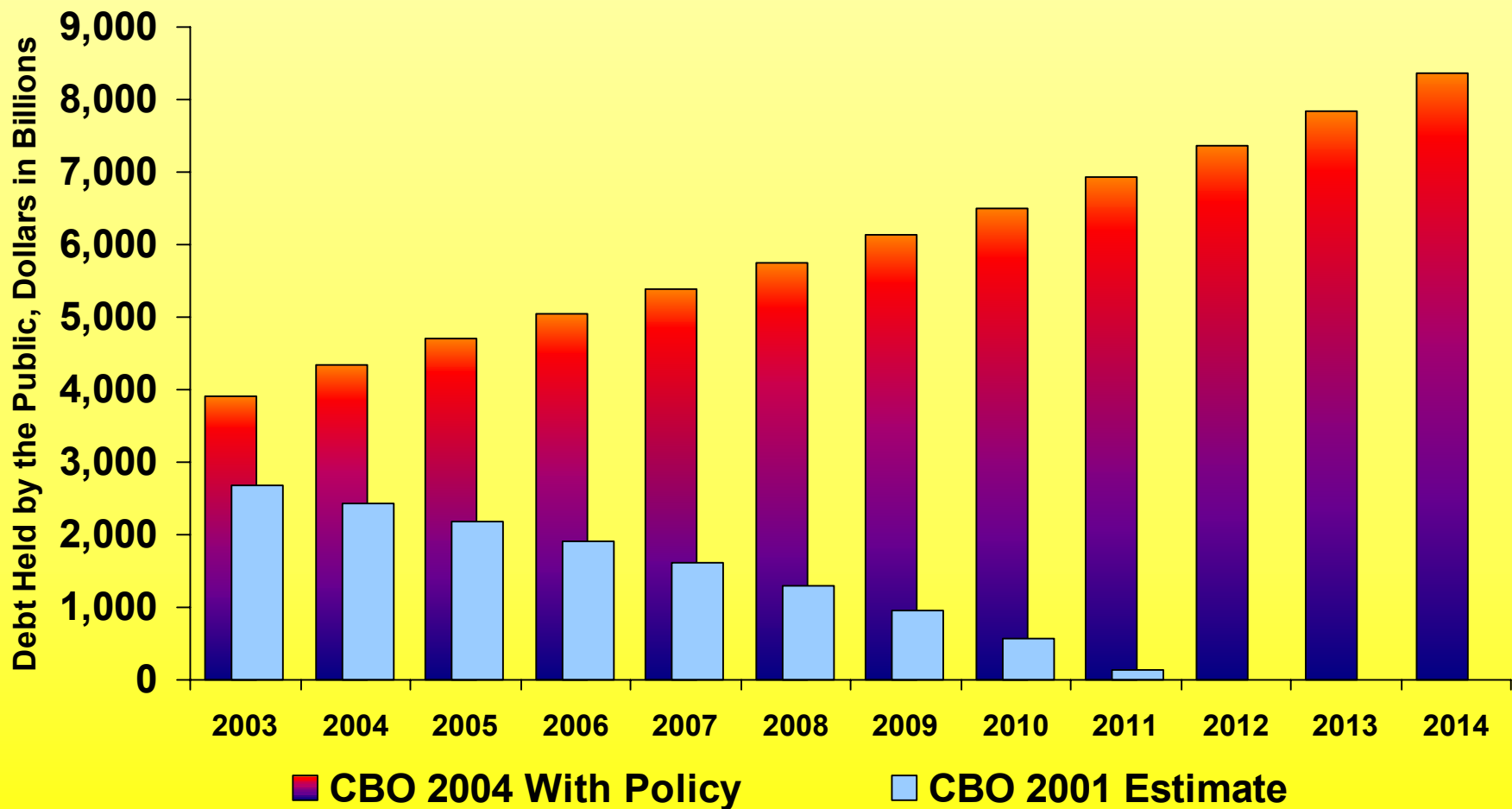


Defense Increases During Bush Administration

(National Defense Discretionary Budget Authority in Billions of Dollars)

	<u>2002- 2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2002- 2011</u>
CBO January Baseline 2001									
	991.0	347.4	356.3	365.5	374.9	384.6	394.5	404.9	3619.0
Policy Increases Excluding Supplemental									
	133.9	74.0	86.3	97.8	109.4	121.9	124.2	126.7	874.2
Iraq/OEF/ONE Supplementals/Future War Costs									
	176.8	29.4	56.3	48.3	43.1	31.4	22.1	22.6	430.0
Total Increase									
	310.7	103.4	142.6	146.1	152.5	153.3	146.3	149.3	1304.2
Total Bush Defense Program									
	1301.7	450.9	498.9	511.6	527.3	537.9	540.8	554.1	4923.2

Contrary to 2001 Estimates, Administration Policies *Increase* National Debt



Republicans Increase the Debt Limit

Debt Limit Increases, Billions of Dollars

2002	450
2003	984
2004	<u>800</u>
Total	2,234